BOB F. ANDERSON, PE, INC.

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January 31, 2005

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Substitute Unit Well Upper Hosston Formation U HOSS SUK West Arcadia Field Bienville Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of SKLAR EXPLORATION COMPANY, LLC, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Upper Hosston Formation, West Arcadia Field, Bienville Parish, Louisiana:

- 1. To permit the applicant to drill, designate an utilize an alternate unit well for the production of gas and condensate from the Upper Hosston Formation in the unit designated U HOSS SUK, West Arcadia Field, Bienville Parish, Louisiana, in exception to the spacing provisions of the 692 Series of Office of Conservation Orders, such unit and well shown on the attached plat and being made a part hereof.
- 2. To find that an alternate unit well is needed on the U HOSS SUK to assist in the drainage of the Upper Hosston Formation that cannot be drained by any other well located within the unit.
- 3. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit well or from a combination of all wells at its discretion.
- 4. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

Hon. James H. Welsh West Arcadia Field

The Upper Hosston Formation in the West Arcadia Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 692, effective April 1, 1965.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

The subject matter of this application does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

Yours truly, 53 fand

B. F. Anderson, PE for

SKLAR EXPLORATION COMPANY, LLC

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties Mr. Ty Adams, Sklar Expl. Co., LLC

